

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

BOARD OF DIRECTORS

MINUTES OF February 23, 2009 MEETING

Board Members Present: John Rupp, Chair; Michael Lewis; Edward Field; William Kennedy; and Thomas Deller.

Absent: Rochelle Lee and John MacDonald

Also Present: Alfred J. Moscola (General Manager); Lori Caron Silveira (Outside General Counsel); Henry Kinch; Maureen Neira; Mark Therrien; Ellen Mandly, and other members of RIPTA's senior staff and members of the public whose names are listed on the meeting sign-in sheet.

Agenda Item 1: Approval of the Minutes of January 26, 2009 Meeting

Mr. Rupp called the meeting to order and asked if the Board members had an opportunity to review the minutes of the January 26, 2009 Board of Directors meeting. The members indicated that they had and Mr. Field stated that prior to the meeting he asked Ellen Mandly to make a change to a comment attributed to him on page 10

regarding a possible RFP by charitable groups. Ms. Mandly made said change. Mr. Kennedy moved to approve the minutes as amended. Director Lewis seconded the motion; the minutes were unanimously approved as amended.

Agenda Item 2: General Manager's Report

Mr. Moscola began with the fuel report saying earlier in the day RIPTA purchased 10,000 gallons of fuel at \$1.66 a gallon. He said the FY 2009 year to date average is \$2.77 and fuel prices remain steady and below \$2.00 a gallon. He noted that if current fuel trends hold steady RIPTA will save money that can be used to relieve the proposed fiscal year 2009 budget deficit.

Mr. Field noted page E1 of the General Managers report and wondered why fuel costs were up this December over the previous year. Mr. Moscola attributed the rise to schedule changes and said the switch from CNG was a minor contributing factor. Mr. Moscola said the usage should be reduced in January as a result of the new schedule changes being implemented. Director Lewis said the increases were significant, 20% over last year, and questioned the data. Mr. Moscola noted the extreme weather conditions this year as another contributing factor. Buses parked outside need to be warmed up which burns fuel. He said the cold and snowy weather and the schedule changes were the main reasons for the increase, but assured the Board he will be tracking the situation. Mr. Field

noted that fuel usage was also high in July and October.

Mr. Moscola continued his report saying RIPTA purchased gasoline on January 15th and paid \$1.65 per gallon. He said on February 15th the State was charging \$1.93 per gallon for natural gas and National Grid was charging \$1.03 and said whenever possible he buys from National Grid.

Next Mr. Moscola discussed the House Finance subcommittee meeting scheduled for the following day at the State House from 1:00 – 4:30. Mr. Moscola invited the Board members to attend and said he and Director Lewis would both be presenting. He said RIPTA will give a short presentation detailing the proposed FY 09 budget deficit and efforts made to reduce it. He noted that RIPTA still hopes to receive the half penny from the underground storage tank fund to help alleviate the remaining FY 09 deficit.

Mr. Field asked if the presentation would highlight the financial difficulties RIPTA will face if we receive a reduced State subsidy. He said he is concerned that legislators feel complacent towards RIPTA. Mr. Moscola said at the last meeting he was asked how the proposed half penny would affect the FY 2010 budget and he said it was needed to help RIPTA address the \$5 - \$6 million dollar shortfall created by the reduction in revenue by changes to the Rltechare program. Mr. Moscola said he would reiterate this fact tomorrow.

Finally Mr. Moscola discussed the RFP issued for the purchase of 10 trolleys and the pre-bid meeting scheduled for February 25th. He said an RFP addendum had been issued asking for pricing on both clean diesel trolleys and also for converting a trolley to a hybrid. He said it would be a significant achievement to have hybrid trolleys operating on the Green and Gold lines in the city of Providence. Mr. Rupp asked how we can afford hybrid trolleys and Mr. Moscola said he would use stimulus money to make up the difference in cost between a standard trolley which costs approximately \$400,000 and a hybrid trolley which is \$200,000 more. He said RIPTA plans to purchase hybrid buses as part of the stimulus funding program to save on fuel and emissions and to create jobs. Mr. Moscola said he intends to reduce the trolley fleet, reminding the Board that the Newport trolleys had already been converted to clean diesel fuel.

Mr. Rupp asked for an explanation of the impact of the stimulus money. Mr. Moscola said the exact amount would not be known for a few weeks, but the unconfirmed amount is approximately \$25 - \$37 million. He said his intention is to use the money to purchase hybrid vehicles which will save the Authority a tremendous amount on fuel and create jobs. Mr. Moscola noted that other transit properties have been using hybrid vehicles for years, but RIPTA was never able to afford them previously. He said staff has compiled a stimulus package list and is ready to move forward at the appropriate time. He said the stimulus expenditures are geared toward creating jobs,

operational savings and efficiencies. Other stimulus projects such as the purchase of outdoor security lighting, overhead doors, energy efficient windows, security fencing, security cameras and gates and the replacement of the bus wash in Newport and rehabilitation of the Elmwood bus wash are geared to create jobs and create efficiencies within RIPTA. He offered to make the stimulus funding list available to the Board and John Rupp asked that he do so.

Mike Lewis suggested coordinating our efforts with the Governor's office and compiling a schedule of the vehicle procurements to ensure compliance with the economic recovery act. John Rupp supported this suggestion.

Mr. Moscola said a specification sheet for hybrid bus purchases has already been compiled and he listed the manufacturers and some of the specifications. He said staff could be ready to issue an RFP in 30-60 days. He then discussed the process of petitioning other transit properties for their bus purchase options which allows RIPTA to utilize other transit agencies current bus procurement orders. He noted that the average age of RIPTA's fleet is over 9 years old and the purchases are necessary.

Director Lewis commented that it would be helpful going forward to know how the General Manager intends to utilize the stimulus money to reduce operating and maintenance costs. Mr. Moscola responded that the goal is to create jobs and reduce utility and fuel costs by

injecting newer buses into the fleet.

Mr. Rupp asked if RIPTA was capable of performing maintenance on hybrid buses. Mr. Moscola said training would be necessary because hybrids have a different propulsion system, but manufacturer training on the new equipment would be built into the specifications. He said he has confidence in RIPTA's maintenance department. He noted that other transit properties have used hybrids for many years and he is confident RIPTA will not have a problem with the change. Mr. Moscola then answered additional questions regarding parts inventory, body work and wheelchair lifts.

Mr. Field asked about a change in trolleys vis-a-vis the difficulties encountered last summer when the change to the Newport trolley body style was contemplated and opposed. Mr. Moscola responded that the RFP process is still underway and he has no way of knowing yet who will bid. Mr. Moscola answered additional questions about trolley manufacturers and styles and said we will have more information when the bids are received and can discuss trolley designs further at that time.

Mr. Rupp asked if the stimulus package would be discussed at the House Finance subcommittee meeting and Director Lewis responded that he would be surprised if it was not as it is a very timely issue. He added that there is still clarity that needs to come from Washington, but expects the funds will be in place from the Federal Highway

Administration within two weeks and expects the same will be true for the transit side of the program.

Agenda Item 3: RIde Update

Mark Therrien addressed the Board to give the RIde program update. He said two meetings had been held recently with the Governor's office hosted by Chuck Alves, RIDOT Deputy Director, and attended by Gary Alexander from DHS. He said consensus had been achieved regarding the next steps for future of the RIde program and overall the meetings were very positive, however, at this time he was not able to elaborate further but would do so at either the March or April Board meeting. After answering a few questions from the Board, Mr. Therrien completed his report.

Agenda Item 4: Metro Transit Study

Mark Therrien and Amy Pettine addressed the Board with a Powerpoint presentation on the Metropolitan Transit Study. Mr. Therrien reminded the Board that they approved RIPTA's participation in the study last January and Amy Pettine joined RIPTA last February to work on this project. He stated the purpose of the study was to define a new direction for transit in Rhode Island by first focusing on the metropolitan Providence area which is the most congested.

Ms. Pettine began with an overview of the study from its inception noting the partnership between RIPTA and Mayor Cicilline of the City of Providence who provided a portion of the funding. She said the study is a yearlong and is now a third of the way complete and the Board must now consider its involvement going forward.

She gave an overview of the studies parameters, funding and the RFP process saying it was competitive and five national companies responded. The selection committee was made up of Providence city officials and RIPTA staff and they selected a team lead by HDR engineering. She then listed the other members of the team saying they had both national experience with transit and also know Rhode Island having worked with both RIPTA and RIDOT. Tom Deller added that the steering committee consisted of Mayor Cicilline and representatives from Warwick, Cranston, Johnston, North Providence, Central Falls and Pawtucket and was truly representative of the metropolitan area.

Ms. Pettine said working groups began meeting last fall consisting of the metro area municipalities listed by Mr. Deller. Also participating were Statewide Planning, RIDOT, legislators, environmental groups, Grow Smart Rhode Island and the Providence Foundation along with current and potential transit advocates. Weekly meetings are ongoing with the goal being to not wait until completion of the study to move forward.

Ms. Pettine discussed the slide listing the study activities and said the first three steps have been completed and they are working on step four of a ten step program. Next she discussed RIPTA's vision and goals and noted the broad goal for the future is to maintain a first class transit system, improve and grow the intermodal system, increase coordination and cooperation and identify and develop stable funding.

Ms. Pettine discussed demographics, population and employment density, and other demographic characteristics derived from census data and other data such as projections from Statewide Planning, farebox data and information received from the city of Providence Planning Department. She noted the aforementioned metropolitan communities on which the study focused and acknowledged that there is growth potential and unmet transit needs elsewhere in the state. Mr. Therrien interjected that there are clearly identified needs in northern Rhode Island, South County and Newport. He said that RIPTA restructured the system in Newport twelve years ago and it is time to do it again with the help of the business community and chamber of commerce. He said that URI is the hub of transit in South County and any growth must be coordinated with that in mind. URI has been a tremendous transit partner providing financing and promoting public transit.

John Rupp asked about service to Westerly and Mr. Therrien remarked that demographically, Westerly is its own community. In

January, URI began funding service to Westerly, but said there is more to be done and the issues caused by Foxwoods Casino and the crossing state lines needs to be addressed. Mr. Kennedy asked about service to Coventry and Mr. Therrien said Coventry was not a part of this study, but they are aware of the growth in that area and will address it in the future.

Ms. Pettine discussed overcrowding at Kennedy Plaza and said through routing would improve the situation by establishing four hubs outside of, but in close proximity to, Kennedy Plaza. She discussed the slide outlining the location of potential hubs and said this might be done in partnership with the city of Providence. Mr. Therrien explained that routing allows people to get to work on one bus without going through the plaza.

Mr. Field asked where they derived the data to determine the passengers passing through Kennedy Plaza and Mr. Therrien said it came from RIPTA transfer activity and from information received from major employers such as Brown and RISD.

Ms. Pettine discussed the slides illustrating modes of transit such as Rapid Bus, BRT (bus rapid transit), LRT (light rail transit) and streetcars, additional routes on existing service, and travel flows by automobiles and bus. She said the information received on illustrating where passengers board and alight on existing service could determine areas where express bus service makes sense.

Finally she discussed high activity centers such as supermarkets, colleges and hospitals and how to connect transit flow.

Ms. Pettine discussed the slide entitled “Where We Are Heading” which gave short-term, mid-term, and long-term options. Short-term options improving the existing RIPTA system, mid-term options include rapid bus, enhance stop amenities and ITS improvements and long-term options include BRT, LRT and streetcars.

Ms. Pettine finished the report by discussing funding which she said is very competitive. She said federal options include the new starts/small starts program which is very competitive and takes 10 – 12 years, earmarking and existing capital funds. The state options include capital match and operating funds and finally private funding which she discussed and illustrated with graphs demonstrating the various methods.

Finally Ms. Pettine stressed that transit is an investment not an expense. She said it creates jobs, stimulates development, boosts business revenues and profits, increases property values and benefits local and state tax revenues. She said it is important to build our advocate base and move forward.

Mr. Therrien noted that this is a fast moving study and asked the Board how often they would like to receive project updates. After a

brief discussion regarding how the stimulus package may affect the timing the Board asked Mr. Therrien for his recommendation and he suggested every other month with the next report in April. Mr. Field suggested that the Board rely on Mr. Deller's experience in this area and suggested that he give the monthly update. After a brief discussion the Board agreed.

Mr. Therrien and Ms. Pettine answered additional questions about passenger lanes and Park n' Ride lots. Mr. Rupp asked who owned the existing Park n' Ride properties and a discussion ensued on this issue. Director Lewis stressed that the upcoming commuter rail service to South County must be considered when the discussion of future Park n' Ride lots takes place. Mr. Moscola suggested that development of the Park n' Ride lots could be a good stimulus project. Director Lewis suggested that RIDOT and RIPTA coordinate to identify the issues associated with the Park n' Ride properties. Mr. Rupp asked that the minutes reflect a directive to Mark Therrien to coordinate an independent study of the Park n' Ride lots.

Mr. Rupp thanked Mr. Therrien and Ms. Pettine for their presentation and moved on to the next agenda item.

Agenda Item 6: General Property Insurance

Mr. Mencarini, Director of Procurement, addressed the Board and discussed the next RIPTA agenda item which was general property

insurance. Mr. Mencarini said that the policy covers all buildings, contents, rolling stock, computer equipment and dispatch equipment against risks such as theft, vandalism, fire, windstorm and water damage. The recommended bidder is One Beacon Insurance Company with a quote of \$85,236. The quote is 25% more than the previous year due to an increased in RIPTA's building valuations which followed a review of all current RIPTA properties.

Gary Primavera of Starkweather & Shepley RIPTA's insurance broker addressed the Board to discuss the bid. Mr. Primavera said three quotes were received and discussed the 25% increase. Director Lewis asked if the quotes were for identical services and Mr. Primavera said they were not identical, but the buildings had been undervalued and the new rate is comparatively inexpensive. After a brief discussion Mr. Kennedy moved to award the contract to One Beacon Insurance Company as recommended by staff. Director Lewis seconded the motion and it passed unanimously. .

Agenda Item 6: Public Comment

Mr. Rupp asked for public comments and recognized Marjorie Rogers. Ms. Rogers expressed concern over the increased fees for senior and disabled passes. She discussed the cuts in disability benefits initiated by the State and said that this, combined with the

increased fees for the pass created a hardship for her and she wondered if some of the stimulus money could be used to lower the price of the pass.

Mr. Rupp thanked Ms. Rogers for her comments and their being no further comments moved on to the next agenda item.

Agenda Item 7: Adjournment

A motion to adjourn was made by Mr. Field. Mr. Kennedy seconded the motion and it passed unanimously.

Respectfully submitted,

Ellen M. Mandly

Recording Secretary